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Montana. Dept. of
State Lands and
Investments
Biennial report
for the period
beginning July 1
... and ending

MONTANA



Department of State Lands and Investments

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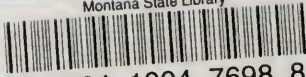
BIENNIAL REPORT

For the Period Beginning
JULY 1, 1952 AND ENDING
JUNE 30, 1954

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LOU E. BRETZKE
Commissioner of State Lands and Investments

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MONTANA



Department of State Lands and Investments



BIENNIAL REPORT

For the Period Beginning
JULY 1, 1952 AND ENDING
JUNE 30, 1954



LOU E. BRETZKE
Commissioner of State Lands and Investments



Montana State Land Department

STATE BOARD OF LAND COMMISSIONERS

Hon. J. Hugo Aronson, Governor, President of the Board

Hon. Mary M. Condon, Superintendent of Public Instruction, Vice President

Hon. Sam W. Mitchell, Secretary of State, Member

Hon. Arnold H. Olsen, Attorney General, Member



OFFICERS AND PERSONNEL

LOU E. BRETZKE

Commissioner of State Lands and Investments and
Secretary of the Board

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C. A. LINDEBERG	- - - - -	Chief of Bond and Investment Department
MISS EULA MAY HALL	- - - - -	Assistant-Typist
MISS VINNIE M. WEGGENMAN	- - - - -	Cashier
MRS. MARY A. TUCKER	- - - - -	Assistant Cashier
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	- - - - -	Assistant Stenographer
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MRS. CHRISTINE H. MARTIN	- - - - -	Lease Clerk
MISS MARGARET V. BJORNEBY	- - - - -	Contract and Deed Clerk
MRS. SIGNA L. BURRIS	- - - - -	File and Recording Clerk
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MRS. IDA H. DUCICH	- - - - -	First Assistant to Chief Field Agent
JOHN W. OSBORNE	- - - - -	Office Assistant-Typist
MRS. ELLA B. DOWNS	- - - - -	Typist
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DAVID R. LAND	- - - - -	Deputy Field Agent
GEORGE F. MOORE	- - - - -	Deputy Field Agent



Part time assistants, both in the office and field, are employed as the season's work load requires

This report does not include the State's forest lands.



GARETH C. MOON, State Forester, Missoula, Montana
is the chief administrative and executive officer, under the Board, in all matters
pertaining to the State Forests

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STATE OF MONTANA

BIENNIAL REPORT OF

THE COMMISSIONER OF STATE LANDS

AND INVESTMENTS

Helena, Montana,
October 15, 1954

To His Excellency, The Governor, and
Members of the Thirty-fourth Legislative
Assembly of the State of Montana

In compliance with the duty imposed upon me by Section 81-206 of the Revised Codes of Montana, 1947, I herewith submit the Biennial Report of the Commissioner of State Lands and Investments for the two-year period beginning July 1, 1952 and ending June 30, 1954. In this report we endeavor to present to the Governor and the Legislative Assembly a clear and concise statement of all moneys received from all sources during this period and the distribution thereof to the various educational funds to which they belong. The report shows the amount of money received designated by law as interest and income and the distribution thereof to the common schools and other educational institutions and it also shows the amount of money received and allocated to the various permanent funds. Comparative statements are given showing the growth in the income of this department from 1896 to the end of the last fiscal year June 30, 1954.

Respectfully submitted,

LOU E. BRETZKE,
Commissioner.

OFFICERS OF STATE LAND DEPARTMENT FROM 1891 TO JULY 1, 1927

YEAR	STATE LAND BOARD					REGISTER OF STATE LANDS	STATE LAND AGENT	STATE FORESTER
	Governor	Supt. Public Inst.	Sec'y. of State	Atty. General				
1890—1892	Jos. K. Toole	John Gannon	L. Rotwitt	H. J. Haskell		S. A. Swigert H. D. Moore (Thos. D. Long (John P. Schmit F. H. Ray	Granville Stuart R. O. Hickman J. M. Page Henry Neill Henry Neill C. A. Whipple	C. W. Jungberg
1893—1894	John E. Rickards	E. A. Steere	L. Rotwitt	H. J. Haskell				
1895—1896	John E. Rickards	E. A. Steere	L. Rotwitt	H. J. Haskell				
1897—1900	Robt. B. Smith	E. A. Carleton	T. S. Hogan	C. B. Nolan				
1901—1904	Jos. K. Toole	W. W. Welch	Geo. M. Hays	James Donovan				
1905—1908	Jos. K. Toole	W. E. Harmon	A. N. Yoder	Albert J. Galen		Sidney Miller Sidney Miller H. V. Bailey I. M. Brandjord	C. A. Whipple C. A. Whipple Geo. W. Cook L. E. Choquette	John C. Van Hook John C. Van Hook R. P. McLaughlin Rutledge Parker
1909—1912	Edw. L. Norris	W. E. Harmon	T. M. Swindlehurst	(D. M. Kelly				
1913—1916	S. V. Stewart	H. A. Davee	A. M. Alderson	J. B. Poindexter				
1917—1920	S. V. Stewart	May Trumper	C. T. Stewart	S. C. Ford				
1921—1924	Jos. M. Dixon	May Trumper	C. T. Stewart	(W. D. Rankin (L. A. Foot				
1925—1927	J. E. Erickson	May Trumper	C. T. Stewart	L. A. Foot				

OFFICERS OF DEPARTMENT OF STATE LANDS AND INVESTMENTS FROM JULY 1, 1927 TO JUNE 30, 1954

YEAR	STATE BOARD OF LAND COMMISSIONERS				Commissioner State Lands & Investments	CHIEF FIELD AGENT	STATE FORESTER
	Governor	Supt. Public Inst.	Sec'y. of State	Atty. General			
1927—1928	J. E. Erickson	May Trumper	(William Powers (J. W. Mountjoy	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1928—1932	J. E. Erickson	Elizabeth Ireland	W. E. Harmon	L. A. Foot	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1932—1936	F. H. Cooney	Elizabeth Ireland	Sam W. Mitchell	Raymond Nagle	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1936—1937	Elmer Holt	Elizabeth Ireland	Sam W. Mitchell	(Enor K. Matson	I. M. Brandjord	L. E. Choquette	Rutledge Parker
1937—1941	Roy E. Ayers	Ruth Reardon	Sam W. Mitchell	H. J. Freebourn	N. B. Sherlock	H. E. Biering	Rutledge Parker
1941—1942	Sam C. Ford	Elizabeth Ireland	Sam W. Mitchell	John W. Bonner	J. W. Walker	W. J. Burton	Rutledge Parker
1942—1943	Sam C. Ford	Elizabeth Ireland	Sam W. Mitchell	(H. Gulickson (R. V. Bottomly	J. W. Walker	W. J. Burton	Rutledge Parker
1943—1948	Sam C. Ford	Elizabeth Ireland	Sam W. Mitchell	(R. V. Bottomly	J. W. Walker	W. J. Burton	Rutledge Parker
1948—1949	John W. Bonner	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	W. P. Pilgeram	H. C. Biering	Rutledge Parker
1949—1952	John W. Bonner	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	W. P. Pilgeram	J. B. Bourassa	Rutledge Parker
1952—1953	J. Hugo Aronson	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	Lou E. Bretzke	F. L. Sorenson	Rutledge Barker
1953—1954	J. Hugo Aronson	Mary M. Condon	Sam W. Mitchell	Arnold H. Olsen	Lou E. Bretzke	F. L. Sorenson	Rutledge Barker (Gareth C. Moon

General Information

Under the Enabling Act approved by Congress February 22, 1889, there was granted to the State of Montana sections 16 and 36 in every township within the State of Montana for common school support. If any of these sections had been homesteaded or otherwise disposed of prior to the enactment of this legislation, lieu lands were granted to the state in place thereof. The Act fixed the selling price of grant lands at a minimum price of \$10.00 per acre. Later Congress modified the Enabling Act fixing the minimum value of grazing lands at \$5.00 an acre, with authority vested in the State of Montana to have all such lands appraised at their true value over and above the values set by the modified Enabling Act.

Under this act the following federal land grants were made to the State of Montana:

Grant	Acres
Public School	5,188,000.00
State University	46,720.00
Agricultural College, Morrill Grant	90,000.00
Agricultural College, Second Grant	50,000.00
School of Mines	100,000.00
State Normal School	100,000.00
Deaf and Dumb Asylum	50,000.00
State Reform School	50,000.00
Public Buildings (State Capitol)	182,000.00
Soldiers' Home	1,575.61
"Militia Camp" now used as an Agricultural Experiment Station ..	640.00
Agricultural and Manual Training School	2,000.00
State Penitentiary	9.75

The Constitution of the State of Montana provides that the Governor, the Superintendent of Public Instruction, Secretary of State and the Attorney General shall constitute the State Board of Land Commissioners. They shall have direct control of all state lands and lands granted or which may hereafter be granted for the support and benefit of the various educational institutions of the State of Montana.

It was left to the State Legislature to set up the facilities for the proper handling and management of these grant lands. In 1927 the Legislature created the Department of State Lands and Investments to administer the lands conveyed to the State of Montana by the Enabling Act as listed above and any lieu lands later received from the Department of the Interior.

The law setting up this department provides for the appointment of a Commissioner as the administrative officer of the Department. The Commissioner is authorized by law to appoint a chief field agent, cashier, secretary and such other personnel as may be needed to properly perform the administrative duties of his department.

In accordance with the provisions of the Enabling Act necessary laws have been enacted by the State Legislature to aid in the administration and efficiency of the land department. Provision has been made for the annual distribution of all income received from these lands. The net rental income from grazing, agricultural and oil leases, together with the interest on outstanding land contracts and interest earned on bond investments, after statutory deductions, is distributed annually to the various counties of the state on the basis of children of school age therein. Thereafter this money is again redistributed by the county superintendents to the common schools of the counties. The income from lands belonging to other grants is made available to assist in defraying operating expenses of those institutions.

The Enabling Act also provided that all money received from the sale of lands belonging to the common school and other grants, from the sale of timber, oil royalties and other minerals shall be placed in a permanent fund credited to the common school, and this likewise applies to the other grants, and such funds to be invested in United States Government Bonds, bonds of the State of Montana, counties, cities and school districts within the state, and the interest received from these investments to be distributed annually along with other income to the proper land grant institutions.

The income from crop share fluctuates according to the season. The income from grazing rentals under the animal unit system varies according to the value of livestock on the farm. In arriving at the base price per animal unit, on September 1 of each year we take the average value of livestock per pound for the past thirty-six months as determined by the Federal Bureau of Animal Statistics and multiply these figures by a formula prescribed by the 1952 session of the State Legislature. The purpose of this legislation is to raise and lower the grazing rentals in accordance with the rising and falling price of livestock. For this reason the grazing rentals will never be the same two years in succession unless prices should hold steady for so long a period of time.

We can best illustrate the growth of this department by giving you a statement of the total receipts at intervals for the past fifty-seven years. In presenting these figures we might mention that the receipts for the fiscal year 1952 were exceptionally large due to oil lease activity. For the twelve months in 1953 and up to June 30, 1954 not a single oil lease was issued which materially reduced income from this source. Below is a statement showing first year's rentals and bonuses on oil and gas leases issued in each of the following fiscal years:

Fiscal year beginning July 1, 1950	\$ 99,458.20
Fiscal year beginning July 1, 1951	5,612,346.12
Fiscal year beginning July 1, 1952	1,239,559.57
Fiscal year beginning July 1, 1953, ending June, 30, 1954	None

The following statement shows the total receipts from all sources, for all funds for these fiscal years:

1897	\$ 101,755.98
1907	829,480.06
1927	2,287,277.17
1948	3,856,612.38
1949	4,100,656.85
1950	3,698,375.26
1951	5,199,749.91
1952	11,146,605.17
1953	8,113,375.35
1954	7,620,966.79

During the past ten or twelve years there has been considerable activity in building up farming units as well as stock raising units. Enterprising farmers and stockmen concluded that it took substantial acreage to build up a profitable unit for either purpose and have ever since endeavored to acquire sufficient acreage. This has created a strong demand for state land and thousands of acres have been sold, mostly on 33 year contracts. Before the State Board of Land Commissioners will authorize the sale of any state lands, it must appear that the amount realized from the sale invested in bonds will give a return substantially greater than the amount received from prior use.

The receipts from land sales are credited to the permanent funds for the various educational institutions and common schools to which the land grants were originally made.

Land sales have of course reduced the acreage in the common school grant and other grants but this reduction in acreage is more than offset by the increase in the permanent funds. All mineral rights are retained by the State.

On the following pages we give you detailed statements of all sources of income.

GROSS INCOME

By gross income, we mean the total income received by this department in the administration of the common school land grant and all other grants under the Enabling Act. This income consists of crop shares from state owned agricultural lands, grazing rentals, oil lease rentals, interest on certificates of purchase, the interest received from the investment of permanent funds. The interest and income from school grant lands is distributed annually to the schools of the state. Likewise the income from land grants belonging to the other educational institutions is made available to them as received.

As the common school interest and income accumulates, an effort is made every year to invest as much thereof as possible in U. S. Treasury short term

investments. By this means these funds are made to earn a little additional before finally being distributed to the common schools of the state. The cost of maintaining and operating the common schools of the state is considerable so the annual distribution from this department should tend to ease the burden on the taxpayer.

The following table shows interest and income received by this department for the fiscal years from 1937 to 1954 and does not include any additions to the permanent funds:

**Gross Income Only
for Year Ending**

June 30, 1937	\$1,019,368.40
June 30, 1938	1,050,325.94
June 30, 1939	1,117,175.45
June 30, 1940	1,387,448.34
June 30, 1941	1,414,719.86
June 30, 1942	1,756,649.80
June 30, 1943	1,557,881.59
June 30, 1944	1,829,809.42
June 30, 1945	2,319,047.68
June 30, 1946	2,040,982.25
June 30, 1947	2,347,399.46
June 30, 1948	2,568,997.67
June 30, 1949	2,683,190.58
June 30, 1950	2,462,238.16
June 30, 1951	3,018,219.76
June 30, 1952	8,921,237.89
June 30, 1953	5,948,530.91
June 30, 1954	5,808,747.57

In the preceding paragraph we mention that this department received no income from new oil leases nor bonuses during the year 1953 nor were any new oil leases issued up to June 30, 1954. The loss of this revenue is very apparent in the figures shown above for 1953 and 1954.

All money received from the sale of land, oil and gas royalties, timber, coal and other minerals is credited to the permanent funds for the various schools and institutions and invested through the unified investment plan provided by the Montana Trust & Legacy Permanent Fund in U. S. bonds, general obligation bonds issued by cities and counties, school districts and high school districts. Only the interest received on these investments is available for annual distribution.

CROP SHARE RETURNS

This department has approximately 443,600 acres of land operated on a one-fourth crop share basis. Five fieldmen are employed the year around but during the 1953 harvest season four additional fieldmen were added. They were assigned to the main agricultural areas to check on crops and assist lessees in making their returns to the state. In order that you may have some idea of how extensive our farming operations are, the record shows that the income from crop share for the common schools alone for the calendar year 1953 amount to \$1,945,614.84. The 1952 returns were \$1,097,168.58. In 1953 crop shares for the other educational institutions amounted to \$39,405.93. In analyzing these figures it is very apparent that the money spent for field service produces good results.

All statutory fees collected by this department are placed in the general fund of the state.

SUBLEASING OF STATE LANDS

Many subleases are issued every year. The 1945 session of the State Legislature by Chapter 207 amended Section 81-419 relating to subleases so that a sublease on state owned land must now be approved by the Commissioner and a copy of the sublease placed on file in the state land office. No sublease may legally be made at a rental in excess of that paid by the original lessee to the state. This statutory provision has successfully eliminated speculation in state land leases by absentee landlords and has given protection to permanent residents of the state.

CO-OPERATIVE STATE GRAZING DISTRICTS

Chapter 208 of the 1939 Session Laws provided for the creation of co-operative state grazing districts and provided the procedure for their organization. This chapter also provided for the creation of the Montana Grass Conservation Commission to supervise the conservation of state pasture resources, not only by prevention of overgrazing but also to develop stock water in dry areas. Grazing districts are required by law to lease all vacant lands within their boundaries and there are now in existence several grazing districts, having within their boundaries approximately 300,000 acres of grazing land.

FIELD DEPARTMENT

The Chief Field Agent is the head of this department and during the absence of the Commissioner he performs all the duties of the Commissioner, and besides his office personnel has five active fieldmen covering the state. A considerable amount of work is involved in reclassifying grazing lands, checking grass coverage and animal unit rating. To come within the time limits of the new law originally the work had to be done with as much speed as possible and yet with reasonable accuracy. Some of these earlier classifications it has been found necessary to change either by raising or lowering the animal unit rating. In addition to this work the fieldmen take an active part in checking crops during harvest season with additional fieldmen employed for this purpose. In getting first hand information as to yield over the state we must rely on the field force, and this information is very necessary to properly check crop returns coming into the office. If there is too much variance between the returns and estimated crop the matter is referred to a fieldman for checking. The field force handles many controversial matters at the request of the Commissioner and many such problems have been solved and adjusted at a minimum of expense to the state, and their assistance and efficiency is of great value to this department. Through the efforts of the field-men nearly 100% of state land is now under lease.

UNIFIED INVESTMENTS

Prior to January 30, 1941 permanent funds belonging to the common school and various institutions were invested separately. This caused balances to be carried over long periods of time without interest earnings because small investments were not available. The amendment to Article XXI of the Constitution created the Montana Trust and Legacy Permanent Fund. Into this all permanent fund balances were placed and credited to the common school and all other educational institutions, thereby providing a method of unified investment of all funds. Each fund participates in the interest earnings on a percentage basis according to the amount of credit therein. Permanent funds now invested through this fund amount to \$31,376,579.27, consisting of U. S. Treasury bonds in the amount of \$23,550,000.00 and city, county and school district bonds in the amount of \$7,826,579.27. In addition to this there still remains separate fund bond purchases to be liquidated in the amount of \$535,621.29.

UNIFORM PLAN OF INVESTING FUNDS OF THE STATE OF MONTANA, DEPARTMENTS, AGENCIES AND INSTITUTIONS

The 1953 Legislative Assembly enacted Chapter 176, authorizing and requiring the State Board of Land Commissioners to supervise and approve the investment of departmental funds belonging to the Montana Highway Patrol, Public Employees Retirement Funds, Industrial Accident Reserve Fund, Teachers' Retirement Fund, Fish and Game Commission. Since July 1, 1953, all investment of funds belonging to the above mentioned agencies are first approved by the State Board of Land Commissioners.

FINAL LIQUIDATION OF THE FARM LOAN ACCOUNT

Since our last biennial report the repayment of all the principal to the common school permanent fund has been accomplished. In every report since the passage of the farm loan investment law, Chapter 124 of the 1917 Session Laws, the status of this account has been given. There was originally invested in farm loans \$4,574,443.56 as shown by the records of the department on January 1, 1927. This amount was completely liquidated by receipts from crop returns, grazing rentals and sale of farm loan land, and the record shows the final payment of the principal was made during the month of December, 1952. In 1953 the 33rd Legislative Assembly enacted Chapter 250 which authorized and directed the transfer of all unsold mortgage lands, certificates of purchase issued thereon and the cash balance in the sinking fund to the common school, lands and principal in certificates of purchases to the common school permanent fund, and the cash balance in the sinking fund to the common school interest and income fund.

TABLE NO. I.
INCOME FROM ALL SOURCES DURING FISCAL YEAR
JULY 1, 1952 TO JUNE 30, 1953

Institutions and Funds to Which the Income Belongs	Rentals on Agri. and Grazing Leases	Grazing Fees Collected By State Forester	Rentals on Oil and Gas Leases	Interest on Land Sales (C.P.s.)	Interest on Farm Mortgages	Interest on Bonds	Payments from U. S. and Counties	§§Earned Interest in Mont. Tr. and Legacy	Fees and Penalties	TOTALS
State General Fund	\$ 360.00	\$ 9,286.33	\$ 1,604,944.48	\$ 151,401.78	\$ *738,543.48	\$ 107,168.35	\$ **186.50	\$ 615,042.20	††7,930.74	109,772.47
Public School	1,599,655.68	265.00	3,000.00	208.52		725.91	***210.76	12,995.40	**98,107.43	4,826,228.80
State University	4,698.40								***3,374.30	22,013.99
Agri. Col—										
Morrill Grant	11,397.82	1,573.65	599.90	474.98		628.16	\$120.83	22,339.00		37,134.34
Agri. Col—										
Second Grant	2,398.79	161.69		228.55		767.73		7,776.30		11,333.06
School of Mines	20,813.44	1,065.96	6,986.75	2,102.51		2,098.04		22,587.60		55,654.30
State Normal										
Schools	11,511.38	256.64	120.00	1,983.51		2,150.89	\$601.16	19,792.50		36,416.08
Deaf and Blind										
Asylum	3,372.31	746.17	840.00	175.70		768.69		10,258.90		16,161.77
State Reform										
School	4,843.38	127.16		246.62		864.65		6,970.50		13,052.31
Capitol Buildings	18,218.73			462.21			+160.41	24,237.10		43,662.40
Soldiers' Home	1,530.43							111.60		1,642.03
Montana Trust and Legacy Fund						772,607.84				772,607.84
Veterans'										
Memorial						229.58	+2,253.74			2,483.32
State Farm Loan										
Sinking Fund					417,332.18					417,332.18
O.H. & T.B. Society								278.20		278.20
TOTALS	\$ 1,678,800.36	\$ 13,482.60	\$ 1,617,075.08	\$ 157,294.38	\$ 1,155,875.66	\$ 888,009.84	\$ 3,533.40	†† \$ 742,389.30	\$ 109,412.47	\$ 6,365,863.09
GRAND TOTAL—Not including Farm Loan Sinking Fund										
\$5,948,530.91										

* Farm Loan Sinking Fund ††Fees
 ** Parity *** Penalties † Tax
 ††† Boxing Matches § Refund
 §§Annual distribution of M. T. & L. investment returns

TABLE NO. II.
INCOME FROM ALL SOURCES DURING FISCAL YEAR
JULY 1, 1953 TO JUNE 30, 1954

Institutions and Funds to Which the Income Belongs	Rentals on Agri. and Grazing Leases	Grazing Fees Collected By State Forester	Rentals on Oil and Gas Leases	Interest on Land Sales (C.P's.)	Interest on Bonds	Payments from U. S. and Counties	††Earned Interest in Mont. Tr. and Legacy	Fees and Penalties	TOTALS
State General Fund	\$ 2,553,199.12	\$ 8,460.40	\$ 431,462.10	\$ 182,021.51	\$ 53,214.26	\$ *173.73	\$ 666,213.10	\$ 83,699.05	838,680.04
Public School	6,618.58	265.00	2,013.50	471.70	614.37	**29.20	13,405.50	\$8834,980.99	3,894,744.22
State University	---	---	---	---	---	---	---	---	23,417.85
Agri. Col.---	---	---	---	---	---	---	---	---	---
Morrill Grant	17,154.95	1,536.43	389.90	398.22	554.68	---	24,318.40	---	44,352.58
Agri. Col.---	---	---	---	---	---	---	---	---	---
Second Grant	2,435.41	243.19	---	231.24	675.57	---	8,629.60	---	12,215.01
School of Mines	30,689.50	1,275.51	---	1,974.02	1,677.46	---	23,606.30	---	59,222.79
State Normal	---	---	---	---	---	---	---	---	---
Schools	16,246.60	287.92	---	2,309.43	749.82	**583.27	20,497.10	---	40,674.14
Deaf and Blind	---	---	---	---	---	---	---	---	---
Asylum	4,257.20	776.87	---	169.94	345.26	---	10,729.80	---	16,279.07
State Reform	---	---	---	---	---	---	---	---	---
School	6,170.24	---	---	512.80	862.74	---	7,341.90	---	15,053.34
Capitol Buildings	13,152.06	165.66	---	386.11	---	†458.23	18,208.50	---	32,430.85
Soldiers' Home	---	---	225.95	---	---	---	116.40	---	1,646.61
Montana Trust and	1,530.21	---	---	---	---	---	---	---	---
Legacy Fund	---	---	---	---	---	---	---	---	---
Veterans'	---	---	---	---	---	---	---	---	---
Memorial	---	---	---	---	---	---	---	---	---
O.H. & T.B.	---	---	---	---	---	---	---	---	---
Society	---	---	---	---	---	---	---	---	---
TOTALS	\$ 2,651,453.87	\$ 13,010.98	\$ 434,091.45	\$ 189,474.97	\$ 885,129.08	\$ 4,551.88	†† 793,355.30	\$ 838,680.04	\$ 5,808,747.57

* Transfer
** Refund

† Tax
†† Boxing Matches

\$ Fees
†† Annual distribution of M. T. & L. investment returns

TABLE NO. III.
 RECEIPTS FOR PERMANENT FUNDS FROM ALL SOURCES DURING JULY 1, 1952 TO JUNE 30, 1953

Institutions and Funds to Which the Receipts Belong	Land Sales First Payments	Installments on Land Sales (C. P.'s)	Timber Sales by State Forester	Oil and Gas Royalties	Coal, Sand and Gravel Royalties Etc.	Total of These Initial Payments	Repayments on Mortgages	Repayments on Bonds	Escheated Estates	GRAND TOTALS
R/W	\$ 2,889.89	\$	\$ 11,207.86	\$	\$ 20,764.20	1,599,926.51		77,872.07	19,880.04	1,697,678.62
Public Schools	*436,389.64	199,737.81	674,544.13	142,641.45	37.50	11,643.73		2,844.67		14,488.40
State University	121,751.53	160.23	11,446.00			75,261.65		2,176.92		77,437.57
Agri. Col., Morrill Grant		536.70	74,580.15	144.80		13,501.45		2,584.27		16,085.72
Agri. Col., Second Grant		222.68	13,268.72		10.05	11,584.58		11,297.50		22,882.08
School of Mines	800.00	7,703.79	3,016.29		64.50					
			16.00							
State Normal Schools		1,551.44	5,642.05			7,199.49		9,961.48		17,160.97
Deaf and Blind Asylum		118.72	18,694.72			18,813.44		2,864.82		21,678.26
State Reform School		113.58	327.11		150.00	1,440.69		10,279.84		11,720.53
R/W										
Capitol Buildings		1,947.17	387,138.09	2,307.64	5.40	405,592.86				405,592.86
Soldiers' Home										
Montana Trust and										
Legacy Fund										
Veterans' Memorial								356,537.78		356,537.78
State Farm Loan								1,154.76		1,154.76
Sinking Fund							63,089.68			64,630.42
TOTALS	\$ 576,875.62	\$ 212,092.12	\$1,189,871.12	\$ 146,634.63	\$ 21,031.65	\$2,146,505.14	\$ 63,089.68	\$ 477,576.11	\$ 19,880.04	\$2,707,050.97
GRAND TOTAL—Not Including Farm Loan Sinking Fund										
\$2,642,420.55										

* 5% of 1952 Income

† Collected by This Department

TABLE NO. IV.
RECEIPTS FOR PERMANENT FUNDS FROM ALL SOURCES DURING JULY 1, 1953 TO JUNE 30, 1954

Institutions and Funds to Which the Receipts Belong	Land Sales and First Payments	Installments on Land Sales (C. P.'s)	Timber Sales by State Forester	Oil and Gas Royalties	Coal, Sand and Gravel Royalties Etc.	Total of These Initial Payments	Repayments on Bonds	GRAND TOTALS
R/W	\$ 8,826.96	\$	\$ +2,678.32		\$	\$		
Public Schools	*230,480.23	225,526.71	677,674.16	264,267.03	18,691.50	1,494,282.32	83,143.04	1,577,425.36
State University	66,137.41	1,888.18	84.00		37.50	1,925.68	2,956.21	4,881.89
Agri. Col., Morrill Grant		452.56	90,845.09	110.40		91,492.05	2,252.40	93,744.45
Agri. Col., Second Grant		1,011.26	31,876.05			32,937.31	2,632.43	35,569.74
School of Mines	14.20		6,854.87	222.70		18,143.11	11,518.08	29,661.19
State Normal Schools		14,883.87	609.82			15,493.69	10,323.23	25,816.92
R/W	301.38		6,488.91			7,025.33	2,252.18	9,277.51
Deaf and Blind Asylum	141.70	235.04				1,520.15	7,617.31	9,137.46
R/W		845.41	533.04			149,399.58		149,399.58
State Reform School	639.60	1,107.49	141,828.81	3,920.88				
R/W	1,902.80							
Capitol Buildings								
Soldiers' Home								
Montana Trust and Legacy Fund							1,545,446.61	1,545,446.61
Veterans' Memorial							1,199.97	1,199.97
TOTALS	\$ 308,444.28	\$ 257,001.86	959,523.07	268,521.01	\$ 18,729.00	\$1,812,219.22	1,669,341.46	\$3,481,560.68

* 5% of 1953 Income

† Collected by This Department

TABLE NO. V
RECEIPTS FROM STATE LANDS AND PERMANENT FUNDS BY YEARS

		FOR PERMANENT FUNDS	
		INCOME AND RECEIPTS	
Prior to 1896		\$	172,190.71
During 1896			38,185.23
1897			101,755.98
1898			126,833.71
1899			200,195.20
1900			200,275.25
1901			293,335.75
1902			363,584.63
1903			388,279.13
1904			389,812.60
1905			357,790.52
1906			651,352.62
1907			829,480.06
1908			805,105.35
1909			434,429.96
1910			826,836.01
1911			659,771.74
1912			1,306,892.75
1913			1,223,837.96
1914			1,122,205.27
1915			1,219,602.97
1916			1,657,639.21
1917			1,812,812.29
1918			1,828,712.43
1919			2,263,728.95
1920			1,770,070.57
1921	(Dec. 1, 1920 to June 30, 1921)		699,653.74
1922			1,290,891.25
1923			1,408,325.48
1924	(Up to June 30)		1,183,456.66
Total		\$	25,663,054.98

				INCOME	RECEIPTS FOR PERMANENT FUNDS	TOTALS
July 1, 1924—June 30, 1925				\$1,101,763.73	\$ 360,994.55	\$1,462,758.28
July 1, 1925—June 30, 1926				1,276,841.10	645,211.40	1,922,052.50
July 1, 1926—June 30, 1927				1,403,869.20	697,056.60	2,100,920.80
July 1, 1927—June 30, 1928				1,583,485.78	703,791.39	2,287,277.17
July 1, 1928—June 30, 1929				1,588,916.71	745,245.45	2,334,162.16
July 1, 1929—June 30, 1930				1,536,964.63	563,716.54	2,100,681.17
July 1, 1930—June 30, 1931				1,314,364.67	344,701.33	1,659,066.00
July 1, 1931—June 30, 1932				1,020,005.16	255,130.44	1,275,135.60
July 1, 1932—June 30, 1933				922,896.98	173,472.02	1,166,369.00
July 1, 1933—June 30, 1934				1,085,334.20	238,733.90	1,324,068.10
July 1, 1934—June 30, 1935				1,267,699.79	315,898.07	1,583,597.86
July 1, 1935—June 30, 1936				1,236,095.95	435,922.52	1,672,018.47
July 1, 1936—June 30, 1937				1,019,368.40	337,058.84	1,356,427.24
July 1, 1937—June 30, 1938				1,050,325.94	285,795.79	1,336,121.73
July 1, 1938—June 30, 1939				1,117,175.45	273,994.91	1,391,080.36
July 1, 1939—June 30, 1940				1,387,448.34	395,265.34	1,782,713.68
July 1, 1940—June 30, 1941				1,414,719.86	508,143.28	1,922,863.14
July 1, 1941—June 30, 1942				1,756,649.80	715,627.16	2,472,276.96
July 1, 1942—June 30, 1943				1,557,881.59	997,898.43	2,555,780.02
July 1, 1943—June 30, 1944				1,829,809.42	1,338,301.94	3,168,111.36
July 1, 1944—June 30, 1945				2,319,047.69	1,249,585.80	3,568,633.49
July 1, 1945—June 30, 1946				2,040,982.25	999,760.45	3,040,742.70
July 1, 1946—June 30, 1947				2,347,399.46	987,810.62	3,335,210.08
July 1, 1947—June 30, 1948				2,568,997.67	1,287,614.71	3,856,612.38
July 1, 1948—June 30, 1949				2,683,190.58	1,417,466.27	4,100,656.85
July 1, 1949—June 30, 1950				2,462,238.16	1,236,137.10	3,698,375.26
July 1, 1950—June 30, 1951				3,018,219.76	2,181,530.15	5,199,749.91
July 1, 1951—June 30, 1952				8,921,237.89	2,225,367.28	11,146,605.17
July 1, 1952—June 30, 1953				5,948,530.91	2,164,844.44	8,113,375.35
July 1, 1953—June 30, 1954				5,808,747.57	1,812,219.22	7,620,966.79
GRAND TOTAL						\$116,317,464.56

TABLE NO. VI.
TOTAL INVESTMENTS MADE DURING FISCAL YEAR
OF JULY 1, 1952 TO JUNE 30, 1953

FUNDS INVESTED	United States Bonds	County and City Bonds	School District Bonds	Totals
Montana Trust and Legacy Permanent Funds	\$1,050,000.00	\$ 288,637.76	\$ 194,726.87	\$1,533,364.63

TABLE NO. VII.
TOTAL INVESTMENTS MADE DURING FISCAL YEAR
OF JULY 1, 1953 TO JUNE 30, 1954

FUNDS INVESTED	United States Bonds	County and City Bonds	School District Bonds	Totals
Montana Trust and Legacy Permanent Funds	\$ 850,000.00	\$ 344,707.37	\$ 360,716.06	\$1,555,423.43

TABLE NO. VIII.
PERMANENT ASSETS JUNE 30, 1953
SECURITIES

Institutions and Funds to Which the Assets Belong	Value of Unsold Lands At \$10 Per Acre	Deferred Payments On Land Sales (C. P. S.)	U. S. Bonds	County City, Town and S. D. Bonds	Cash With State Treasurer	TOTAL ASSETS
Public Schools	45,797,811.70	3,694,612.86	.....	337,627.02	.....	49,830,051.58
State University	188,966.10	8,126.13	.....	17,335.99	.....	214,428.22
Agri. Col. — Morrill Grant	657,952.60	9,307.83	.....	17,792.53	.....	685,052.96
Agri. Col. — Second Grant	402,356.10	4,258.85	.....	21,182.92	.....	427,797.87
School of Mines	604,044.90	41,596.75	.....	47,101.07	.....	692,742.72
State Normal Schools	678,836.00	26,636.40	.....	54,418.41	.....	759,890.81
Deaf and Blind Asylum	357,964.50	3,571.90	.....	8,925.90	.....	370,462.30
State Reform School	364,411.40	11,238.26	.....	26,109.64	.....	401,759.30
Capitol Buildings	1,278,117.00	8,798.42	.....	.....	.....	1,286,915.42
Soldiers Home	12,756.10	None	.....	.....	.....	12,756.10
O. H. & T. B. Society	650.00	None	.....	.....	.....	650.00
Veterans' Memorial	.....	.....	.....	5,127.81	22,421.41	27,549.22
Montana Trust & Legacy	.....	.....	24,450,000.00	5,909,097.92	902,356.71	31,261,454.63
TOTALS	50,343,866.40	3,808,147.40	24,450,000.00	6,444,719.21	924,778.12	85,971,511.13

TABLE NO. IX
PERMANENT ASSETS JUNE 30, 1954
SECURITIES

INSTITUTIONS AND FUNDS TO WHICH THE ASSETS BELONG	Value of Unsold Lands At \$10 Per Acre	Deferred Payments on Land Sales C, P's.)	U. S. Bonds	County City and School Dist. Bonds	Cash With State Treasurer	Total
Public Schools	\$ 46,751,172.80	\$ 3,704,446.50		\$ 254,483.98		\$ 50,710,103.28
State University	182,388.80	6,237.95		14,379.78		203,006.53
Agri. Col.—Morrill Grant	649,467.00	8,869.27		15,540.13		673,876.40
Agri. Col.—Second Grant	414,196.00	3,247.59		18,550.49		435,994.08
School of Mines	604,681.30	30,545.41		35,582.99		670,809.70
State Normal Schools	668,449.80	11,752.53		44,095.18		724,297.51
Deaf and Blind Asylum	363,756.30	3,336.86		6,673.72		373,766.88
State Reform School	365,551.70	10,392.85		18,492.33		394,436.88
Capitol Buildings	1,251,622.20	25,683.38		None		1,277,305.58
Soldiers' Home	12,756.10	None		None		12,756.10
O.H. & T.B. Society	656.10	None		3,927.84	15,944.51	19,872.35
Veterans' Memorial				7,379,682.11	844,064.11	32,373,746.22
Montana Trust & Legacy			24,150,000.00			
TOTALS	\$ 51,264,698.10	\$ 3,804,512.34	\$ 24,150,000.00	\$ 7,791,408.55	\$ 860,008.62	\$ 87,870,627.61

TABLE NO. X.
ACCOUNTS CONSTITUTING THE MONTANA TRUST AND
LEGACY FUND

	Amount in Fund June 30, 1953	Amount in Fund June 30, 1954
Public School Permanent	\$25,571,795.47	\$27,177,884.43
State University Permanent	532,917.68	537,799.57
Agricultural College—Morrill Permanent	921,142.78	1,014,887.23
Agricultural College—Second Permanent	320,123.46	355,693.20
School of Mines Permanent	924,011.36	953,672.55
State Normal School Permanent	810,246.48	836,063.40
Deaf and Blind Asylum Permanent	421,927.62	431,205.13
State Reform School Permanent	287,353.35	296,490.81
Capitol Building Fund	617,954.09	499,839.25
Soldiers' Home Permanent	4,629.14	4,629.14
Ryman E. S. Library	7,500.00	7,500.00
Ryman Fellowship Permanent	11,672.35	11,672.35
Ryman Fellowship Interest and Income	822.20	822.20
Ryman Student Loan Permanent	37,662.98	48,710.41
Ryman Student Loan Interest and Income	10,477.63	646.00
W. W. Dixon Endowment Fund	23,170.00	23,170.00
Orphans' Home and T. B. Society Fund	11,472.74	11,761.44
Senator Walsh Endowment Fund	5,000.00	5,000.00
Land Office Unclaimed Balance Fund	769.50	785.50
University Scholarship Prizes:		
Aber Memorial	1,050.00	1,050.00
Bennett Prize	857.50	857.50
Bonner Scholarship	6,570.00	6,570.00
C. A. Duniway Scholarship	400.00	400.00
Ann Lewis Joyce Memorial	251.00	251.00
Class of 1904	502.00	502.00
Kellogg Foundation Medical Scholarship	1,568.89	1,568.89
Soldiers' Home Welfare Fund	4,949.53	4,358.55
State Prison Inmates Fund	5,000.00	5,000.00
Kellogg Foundation Loan Funds	2,170.20	2,226.20
Howard H. Johnson School of Law Scholarship Fund	790.80	810.50
Silas R. Thompson Scholarship Fund	5,115.10	5,143.10
Student Union Reserve Fund, State University	55,115.80	69,298.29
Associated Students Reserve Fund, State Uni- versity	41,267.82	42,308.92
Field House, State University	850.10	None
Frontier Writing Award, State University	1,554.86	1,636.86
Residence Hall and Family Housing Funds, State University	10,854.20	11,129.90
Laboratory Building Construction Fund	501,614.00	2,009.30
Governor's Quarters Construction Fund	100,324.00	402.60
Totals	\$31,261,454.63	\$32,373,746.22

TABLE NO. XI
SUMMARY OF GRANT LAND SALES FOR THE YEAR ENDING JUNE 30, 1953
ACRES SOLD

County	Public School	Public Buildings	State Normal School	School of Mines	State Reform School	Total Acreage	Total Sales Price	Average Price Per Acre
Beaverhead	2,001.08					2,001.08	\$ 20,010.80	
Big Horn	720.00					720.00	27,840.00	
Blaine	1,280.00					1,280.00	32,960.00	
Carbon	200.00					200.00	7,200.00	
Cascade	752.68					752.68	29,931.40	
Chouteau	1,080.00					1,080.00	42,240.00	
Custer	640.00				80.00	640.00	6,400.00	
Daniels	80.00					80.00	800.00	
Dawson	930.11					930.11	23,040.00	
Deer Lodge	320.00					320.00	3,200.00	
Glacier	160.00					160.00	12,800.00	
Granite	638.32					638.32	5,106.56	
Hill	1,080.00					1,080.00	40,880.00	
Jefferson	1,195.30					1,195.30	12,669.20	
Judith Basin	720.68					720.68	28,820.40	
Lewis and Clark	520.00					520.00	13,640.00	
Liberty	960.00					960.00	30,400.00	
McCone	640.00					640.00	21,440.00	
Madison			320.00			320.00	3,200.00	
Meagher						80.00	8,000.00	
Mineral					80.00	239.00	6,692.00	
Musselshell	239.00					15.80	237.00	
Park	13.80					1,280.00	22,080.00	
Petroleum	640.00					640.00	22,560.00	
Pondera	1,033.88					1,033.88	46,487.88	
Powder River	640.00					640.00	6,720.00	
Prairie	1,071.16					1,071.16	14,980.66	
Ravalli	154.54					154.54	845.00	
Rosebud	640.00					640.00	5,760.00	
Sanders	149.36					149.36	2,987.20	
Silver Bow	1,118.72					1,118.72	7,352.00	
Sweet Grass	640.00					640.00	19,200.00	
Teton	1,160.00					1,160.00	61,440.00	
Toole		620.79				620.79	5,241.82	
Yellowstone	2,020.00					2,020.00	83,395.00	
	24,720.63	620.79	320.00	80.00	80.00	25,821.42	\$676,559.92	\$ 26.20

* In addition to the above grant lands, there were sold during this period, 2006.58 acres of mortgaged lands at a total purchase price of \$44,109.20. On March 31, 1953, 340,979.41 acres of mortgaged lands were transferred to the Common School Fund.

TABLE NO. XII
SUMMARY OF GRANT LAND SALES FOR THE YEAR ENDING
JUNE 30, 1954

ACRES SOLD

County	Public School	Public Bldgs.	Total Acreage	Total Sales Price	Average Price Per Acre
Broadwater	1,185.13	1,456.43	2,641.56	\$ 19,332.00	
Chouteau	3,272.89	-----	3,272.89	116,572.48	
Daniels	714.82	-----	714.82	14,489.20	
Dawson	640.00	-----	640.00	16,000.00	
Garfield	635.00	-----	635.00	6,350.00	
Glacier	640.00	-----	640.00	33,280.00	
Hill	4,047.12	-----	4,047.12	53,270.40	
Jefferson	640.00	-----	640.00	8,960.00	
Lewis and Clark	1,080.00	40.00	1,120.00	8,528.00	
Liberty	720.00	-----	720.00	13,600.00	
Madison	720.00	-----	720.00	20,640.00	
Phillips	1,600.00	-----	1,600.00	17,760.00	
Teton	399.02	-----	399.02	3,591.18	
Toole	960.00	739.28	1,699.28	57,472.80	
Valley	840.77	-----	840.77	35,154.97	
	18,094.75	2,235.71	20,330.46	\$425,001.03	\$ 29.04

TABLE NO. XIII—(Continued)

[illegible]

When lands are sold, and when sales contracts are cancelled, the figures of "lands unsold" are changed accordingly.

EXCHANGE OF STATE FOREST LANDS LOCATED IN GLACIER NATIONAL PARK

An exchange of state forest lands located within the boundaries of Glacier National Park for federal grazing lands of equal value has been under consideration for the past several years. The Glacier Park lands were appraised by the State Forester. The lands to be selected by the Commissioner in place thereof were handled by the Taylor Grazing Act officials who placed the appraised value thereon. All matters pertaining to the exchange were submitted to the 1953 Session of the State Legislature for approval. The exchange was approved and the Legislature enacted Chapter 114 of the 1953 Session Laws authorizing and directing the Commissioner of State Lands to complete the exchange subject to approval of the State Board of Land Commissioners. A list of the lands selected has been presented to the Secretary of the Interior for final confirmation. Patents to the State of Montana have not yet been received.

TABLE NO. XIV
OPERATION OF UNSOLD LAND ACCOUNT, JULY 1, 1952, TO JUNE 30, 1954

County	Acres Sold	Acres Cancelled Under C. P.	Acres Acquired Thru Exchange	Total Deductions	Total Additions
Beaverhead	2,001.08			2,001.08	
Big Horn	720.00	720.00		720.00	720.00
Blaine	1,280.00			1,280.00	
Broadwater	1,185.13				
Carbon	1,456.43			2,641.56	
Cascade	200.00			200.00	
Chouteau	752.68			752.68	
	3,952.89				
Custer	80.00		560.00	4,032.89	
Daniels	640.00			640.00	
Dawson	794.82			794.82	
Deer Lodge	1,570.11			1,570.11	
Gallatin	320.00			320.00	
		320.00			
		960.00			1,280.00
Garfield	635.00			635.00	
Glacier	800.00			800.00	
Granite	638.32			638.32	
Hill	5,537.12			5,527.12	2,235.39
Jefferson	1,835.30	30.00	2,235.39	1,835.30	30.00
Judith Basin	720.68			720.68	
Lake		160.00			160.00
Lewis and Clark	40.00				
Liberty	1,600.00			1,640.00	
McCone	1,680.00			1,680.00	
Madison	640.00			640.00	
	720.00				
	320.00				
Meagher	80.00			1,040.00	
Mineral	239.00			80.00	
Musselshell	15.80			239.00	
Park	1,280.00	640.00		15.80	
Petroleum	640.00			1,280.00	
Phillips	1,600.00			640.00	
Pondera	1,033.88			1,600.00	
Powder	640.00			1,033.88	
River				640.00	
Prairie	1,071.16			1,071.16	
Ravalli	154.54			154.54	
Rosebud	640.00			640.00	
					640.00

TABLE NO. XIV
OPERATION OF UNSOLD LAND ACCOUNT, JULY 1, 1952, TO JUNE 30, 1954
(Continued)

County	Acres Sold	Acres Cancelled Under C. P.	Acres Acquired Thru Exchange	Total Deductions	Total Additions
Sanders	149.36			149.36	
Silver Bow	1,118.72			1,118.72	
Stillwater		320.00			320.00
Sweet Grass	640.00			640.00	
Teton	1,559.02			1,559.02	
Toole	960.00	160.00			160.00
	1,860.07	640.00			640.00
Valley	840.77			2,320.07	
Yellowstone	2,020.00			840.77	
				2,020.00	
TOTALS	46,151.88	3,950.00	2,795.39	46,151.88	6,745.39
				6,745.39	
Net deductions from acreage of Unsold Lands					39,406.49

TABLE NO. XV
 RIGHT OF WAY DEEDS TO STATE LANDS ISSUED
 FROM JULY 1, 1952 TO JUNE 30, 1954
 Deed D-3378 to D-3571, Inclusive

Purpose of Right of Way	Number	Acres	Compensation	Fees
State Highways, Stockpiles, Borrow Pits, Private Logging, National Forest, and County Roads	85	465.99	\$ 4,697.12	\$425.00
Power, Telephone, Telegraph Pole Lines, Pipelines, and Television Antennas	74	295.33	7,300.00	370.00
School, Public Recreation Park and Building, Community Hall, Cemetery, and Pump Station Sites	7	37.74	3,532.50	35.00
Rural Electrification Power Lines	12	10.11	60.00	60.00
Power Lines, Drainage Ditches, and Water Mains. (Not State Grant Lands) and State Fair Grounds	11	41.51	497.40	55.00
Drainage Canals, Flood Control, and Railroad Drainage	3	45.70	333.50	15.00
TOTALS	192	896.38	\$16,420.52	\$960.00

TABLE NO. XVI

TOTAL STATE LAND ACREAGE BY GRANTS

Public Schools	4,917,617.94	
University	18,878.88	
Agricultural College, Morrill Grant	65,756.70	
Agricultural College, Second Grant	41,780.24	
School of Mines	63,861.35	
State Normal School	68,222.63	
Deaf and Blind Asylum	37,285.23	
State Reform School	36,871.13	
Public Buildings	126,795.93	5,377,070.03

ACREAGE IN "SPECIAL GRANTS"

"Militia Camp"	640.00	
Northern Montana Training School and Agricultural Experiment Station	2,000.00	
Lewis and Clark Cavern	2,728.88	
University Biological Station	124.72	
Orphans' Home and T. B. Sanitarium	65.61	
Gift of Ernest White for Recreational State Park	162.00	
Soldiers' Home	1,275.61	
General Fund	26.62	7,608.44
Total		<u>5,384,678.47</u>

TOTAL ACREAGE BY CLASSIFICATION

Grazing (includes 17,864.79 acres timber land)	4,211,210.44	
Agriculture	443,704.79	
Timber (includes 17,864.79 acres timber grazing in Musselshell County)*	488,078.15	
Certificates of Purchase	251,941.44	
	5,394,934.82	
Less*	17,864.79	
	5,377,070.03	
Special Grants	7,608.44	
Total		<u><u>5,384,678.47</u></u>

TOTAL INCOME FROM GRAZING AND AGRICULTURE ALL FUNDS
FOR FISCAL YEAR ENDING JUNE 30, 1954

Total acreage under lease for grazing	4,211,210.44	
Total annual grazing rentals therefrom		\$ 620,998.49
Total acreage under crop share leases	443,704.79	
Total income from crop share leases		2,030,455.38
Grand total of acreage under lease for grazing and agriculture	4,654,915.23	
Grand total of income		<u><u>\$2,651,453.87</u></u>

TABLE NO. XVII
MINERAL DEPARTMENT
Oil and Gas Leasing

JULY 1, 1952 to JUNE 30, 1954

GRANT	LEASES ISSUED		LEASES CANCELLED		Initial Rental and Bonus Payments
	Total Acres	Total Number	Number	Acres	
Public School	122,949.32	223	562	281,612.30	
School Mines	7,795.48	15	16	8,115.14	
School Deaf and Dumb	2,320.00	7	7	2,320.00	
Public Buildings	301.29	2	1	80.00	
University	320.00	1	2	640.00	
State Normal School	160.00	3	6	920.00	
Farm Loan	13,302.54	42	79	23,794.21	
Totals	147,148.63	293	673	317,482.21	

Leases in Effect, June 30, 1952	1606
Leases Issued July 1, 1952 to December 31, 1952	293
	1899
Cancellations July 1, 1952 to June 30, 1954	673
Leases in Effect, June 30, 1954	1226

Revenues from Oil and Gas	
Rentals:	
July 1, 1952 to June 30, 1953	
July 1, 1953 to June 30, 1954	\$1,647,075.08
	434,091.45
Non-Drilling Penalties:	
July 1, 1952 to June 30, 1953	
July 1, 1953 to June 30, 1954	\$ 98,107.43
	834,980.99
Royalties:	
July 1, 1952 to June 30, 1953	
July 1, 1953 to June 30, 1954	\$ 145,634.63
	268,521.01
Total	\$3,399,410.59

STATUS OF OIL AND GAS LEASES

Oil and Gas Lands Leased:	Acres
July 1, 1952 to June 30, 1953	147,148.63
July 1, 1953 to June 30, 1954	none
TOTAL	147,148.63
Leases in Effect June 30, 1952	718,967.49
TOTAL LANDS LEASED	866,116.12
Oil and Gas Lands Cancelled:	Acres
July 1, 1952 to June 30, 1953	56,074.10
July 1, 1953 to June 30, 1954	261,408.11
TOTAL LANDS UNDER LEASE JUNE 30, 1954	548,633.91

Leases in Effect Divided Among the Grants:

Grant	Number	Acres
Public School	1055	499,772.86
Farm Loan	158	43,357.17
University	7	3,964.69
A C 1	2	799.90
Public Buildings	4	739.29
	1226	548,633.91

PRODUCTION

Leases in Oil Production on June 30, 1954:

Field	Lease	Wells
Bowes	1	16
Cat Creek	2	5
Cut Bank	9	40
Glendive	1	4
Kevin-Sunburst	19	125
Pondera	4	42
Sumatra	3	8
TOTAL	39	240

Leases in Gas Production or Participating in Unit Plans of Operation, 61.

ROYALTIES

Four unusually good oil producers were completed between July 1, 1952 and June 30, 1954, the date of commercial production of each being shown on the following report:

Field	Lessee	Date of Commercial Production
Sumatra	Gulf Oil Corporation	July, 1952
Bowes	The Texas Company	November, 1952
Glendive	The Texas Company	January, 1953
Cut Bank	Stewart-Pattie	March, 1954

The biennial report does not reflect the importance of these four leases as only one was in production throughout the period; the largest producer, the Stewart-Pattie lease, paid royalties for three months only during the period. In June, 1954, royalties from these leases totalled \$21,812.88.

The steady increase in royalties is shown by a comparison of the last three fiscal years:

Fiscal year ending June 30, 1952	\$107,782.89
Fiscal year ending June 30, 1953	146,634.63
Fiscal year ending June 30, 1954	268,521.01

Leasing

Applications for oil and gas leases are advertised and offered through oral competitive bidding. The difference between the minimum rental of 75 cents per acre and the amount of the final bid is called a bonus and is taken into account as rental. The bonus is paid at the time of bidding; rental continues throughout the term of the lease.

The Legislative Session of 1953 enacted a new oil lease law, the legality of which was challenged by the Attorney General. In the ensuing litigation, the Department of State Lands and Investments was enjoined from issuing leases with the result that the only lease sales held were those in the six months period between July 1, 1952 and December 31, 1952.

Non-drilling Penalties

Under the laws of the State of Montana, a certain amount of drilling must be completed by the end of the second year. Upon failure to do so, the State Board of Land Commissioners may, at its discretion, cancel the lease, forgive the failure, or assess a penalty, the amount of which is to be set by the Board. In March, 1953, the Board raised the penalty from \$1.00 to \$2.00 per acre.

NON-METALLIC MINERALS

The bentonite lease at Alzada, in production since June, 1949, has paid the State \$48,902.53 in the five years of its activity. It is a strip proposition and a large area remains to be developed.

In Missoula County, in the Greenough area, a barite lease came into commercial production in August, 1952, with a monthly royalties varying according to the market.

The two coal leases at Roundup have been producing, under various lessees, for many years.

Revenue from these leases is as follows:

Bentonite	\$24,603.85
Barite	7,283.99
Coal	4,467.94
Sand and Gravel	3,404.89
TOTAL	\$39,760.65

TABLE NO. XVIII
RENTALS AND ROYALTIES ON GOLD, COAL, SAND AND GRAVEL,
OIL AND GAS LEASES

Collected from December 1, 1918 to June 30, 1954

Fiscal Year Ending	PERMANENT FUNDS		Income Funds	TOTALS
	Gold, Coal, Sand and Gravel Rentals and Royalties	Oil and Gas Royalties	Rentals on Oil Gas Leases	
Nov. 30, 1919	\$ 11,225.84	\$ -----	\$ 15,243.20	\$ 26,469.04
Nov. 30, 1920	11,486.53	-----	55,901.00	67,387.53
June 30, 1921	4,539.74	-----	29,601.27	34,141.01
June 30, 1922	5,923.20	2,759.71	29,601.27	38,284.18
June 30, 1923	5,148.53	5,132.25	83,430.70	93,711.48
June 30, 1924	4,239.50	6,905.82	39,832.78	50,978.10
June 30, 1925	1,733.25	8,504.18	33,950.00	44,187.43
June 30, 1926	2,254.64	185,189.46	32,300.00	219,744.10
June 30, 1927	1,334.51	313,997.30	38,260.00	353,591.81
June 30, 1928	2,549.45	155,689.97	92,849.78	251,089.20
June 30, 1929	2,033.90	138,806.57	56,147.89	196,988.36
June 30, 1930	1,810.23	150,471.53	93,279.04	245,560.80
June 30, 1931	1,652.41	61,477.33	59,049.36	122,179.10
June 30, 1932	2,555.00	61,331.76	34,093.94	97,980.70
June 30, 1933	1,880.51	33,701.30	23,671.21	59,253.02
June 30, 1934	2,505.99	44,289.94	31,924.77	78,720.70
June 30, 1935	2,432.19	50,286.88	27,929.97	80,649.04
June 30, 1936	5,018.54	85,272.65	35,844.59	126,135.78
June 30, 1937	5,565.59	64,436.68	26,283.46	96,285.73
June 30, 1938	5,001.53	47,915.07	33,620.24	86,536.84
June 30, 1939	3,518.39	34,728.35	25,809.87	64,056.61
June 30, 1940	4,789.80	53,744.36	27,676.01	86,210.17
June 30, 1941	5,372.25	81,914.30	27,913.57	115,200.12
June 30, 1942	6,048.69	91,963.67	41,957.14	139,969.50
June 30, 1943	4,003.35	100,658.49	82,334.16	186,996.00
June 30, 1944	3,388.70	104,603.68	94,979.99	202,972.37
June 30, 1945	6,178.21	90,640.56	92,508.82	189,327.59
June 30, 1946	10,960.23	143,133.15	86,405.46	240,498.84
June 30, 1947	6,884.65	97,410.54	136,001.57	240,296.76
June 30, 1948	3,826.92	115,931.31	306,926.33	426,684.56
June 30, 1949	4,315.94	133,133.28	309,948.16	447,397.38
June 30, 1950	8,0488.80	120,041.84	282,628.99	410,715.63
June 30, 1951	26,587.69	129,516.94	256,928.59	413,033.22
June 30, 1952	11,376.83	107,782.89	5,734,265.48	5,853,425.20
June 30, 1953	21,031.65	146,634.63	1,617,075.08	1,784,741.36
June 30, 1954	18,729.00	268,521.01	434,091.45	721,341.46
TOTALS	\$225,948.18	\$3,236,527.40	\$10,430,265.14	\$13,892,740.72

NO. XIX

**ANNUAL APPORTIONMENT OF THE INCOME FROM THE PUBLIC SCHOOL
PERMANENT FUNDS AND OTHER SOURCES TO THE
SCHOOL DISTRICTS OF THE STATE**

Year in Which Apportioned	Total Income	Less 5% Added to Perma- nent Fund	Amount Appor- tioned	No. of School Age Persons	Amount Per Capita
1889 to 1896	\$	\$	\$ 51,027.60	39,252	\$ 1.30
1897 .....	.....	.....	17,731.56	42,218	.42
1898 .....	.....	.....	28,630.98	46,179	.62
1899 .....	.....	.....	41,561.52	49,478	.84
1900 .....	.....	.....	80,428.50	53,619	1.50
1901 .....	.....	.....	105,842.20	57,212	1.85
1902 .....	.....	.....	138,905.00	61,736	2.25
1903 .....	.....	.....	168,019.80	64,623	2.60
1904 .....	.....	.....	169,786.65	66,583	2.55
1905 .....	.....	.....	183,366.75	69,195	2.65
1906 .....	.....	.....	205,360.60	70,814	2.90
1907 .....	.....	.....	217,494.00	72,498	3.00
1908 .....	.....	.....	227,071.90	73,249	3.10
1909 .....	.....	.....	250,380.00	77,040	3.25
1910 .....	.....	.....	306,793.75	81,545	3.75
1911 .....	.....	.....	266,415.00	88,805	3.00
1912 .....	.....	.....	345,404.50	98,687	3.50
1913 .....	.....	.....	419,096.00	104,774	4.00
1914 .....	.....	.....	513,144.00	114,032	4.50
1915 .....	.....	.....	632,085.00	126,417	5.00
1916 .....	.....	.....	713,291.25	135,865	5.25
1917 .....	.....	.....	810,991.50	147,453	5.50
1918 .....	.....	.....	877,536.00	159,552	5.50
1919 .....	.....	.....	890,873.50	161,977	5.50
1920 .....	.....	.....	969,756.00	161,625	6.00
1921 .....	.....	.....	954,418.20	156,426	6.10
1922 .....	.....	.....	785,082.90	160,211	4.90
1923 .....	.....	.....	936,794.40	160,410	5.84
1924 .....	.....	.....	892,363.54	157,745	5.67
1925	861,278.56	43,063.93	618,214.63	157,872	5.18
1926	1,252,595.83	62,629.79	1,189,966.04	156,383	7.61
1927	1,365,181.09	68,259.05	1,296,922.04	154,458	8.3966
1928	1,233,910.50	61,695.53	1,172,090.55	152,119	7.70509
1929	1,340,903.71	67,045.19	1,273,858.52	157,747	8.07532
1930	1,426,973.50	71,348.68	1,355,624.82	160,846	8.42809
1931	1,143,847.76	57,192.39	1,086,655.37	160,836	6.75629
1932	878,693.71	43,934.69	834,759.02	161,372	5.17288
1933	744,133.56	37,206.68	706,926.88	161,909	4.36619
1934	832,656.52	41,632.83	791,023.69	162,099	4.87988
1935	1,045,713.87	52,285.69	993,428.18	162,807	6.10187
1936	1,058,184.61	52,909.23	1,005,275.38	163,053	6.16532
1937	882,322.17	44,116.11	838,206.06	163,286	5.13361
1938	847,371.91	42,368.60	805,003.31	160,204	5.02486
1939	930,451.92	46,522.60	883,929.32	156,228	5.65794
1940	909,912.64	45,495.63	864,417.01	154,898	5.58055
1941	931,186.34	46,567.00	884,618.34	154,226	5.73586
1942	1,459,171.69	72,958.58	1,386,213.11	149,666	9.26204
1943	1,049,062.14	52,453.11	970,825.62	143,370	6.77146
1944	1,352,644.88	67,632.24	1,285,012.64	136,489	9.41477
1945	1,460,473.54	73,023.68	1,387,449.86	134,608	10.30733
1946	1,351,689.87	67,584.49	1,284,105.38	133,789	9.59798
1947	1,489,901.69	74,495.08	1,415,406.61	135,637	10.43511
1948	1,517,961.90	75,898.10	1,442,063.80	137,203	10.51053
1949	2,226,013.49	111,300.62	2,114,711.87	139,846	15.1217
1950	1,547,748.55	77,387.43	1,470,361.12	143,852	10.2213
1951	2,059,704.93	102,985.25	1,956,719.68	145,806	13.42
1952	2,912,058.78	145,602.94	2,766,455.84	146,716	18.85
1953	8,727,792.82	436,389.64	8,291,403.18	150,072	55.24
1954	4,609,604.57	230,480.23	4,379,124.34	156,309	28.01

TABLE NO. XX

**RECEIPTS OF THE PUBLIC SCHOOL INTEREST AND INCOME ACCOUNT
APPORTIONED TO THE COUNTIES OF THE STATE PER CENSUS
PERSON BETWEEN THE AGES OF 6 AND 21**

At the end of each calendar year the interest and income credited to the public schools, less 5% statutory deduction apportioned to the permanent school fund, is distributed by the Superintendent of Public Instruction. The amount credited during 1952 was distributed to the various counties of the state as follows:

County	Census 6-21	I & I* Payment
Beaverhead	1,456	\$ 80,443.29
Big Horn	3,433	189,671.57
Blaine	2,669	147,460.93
Broadwater	734	40,553.14
Carbon	2,422	133,814.31
Carter	760	41,989.63
Cascade	11,862	655,369.49
Chouteau	1,618	89,393.70
Custer	3,218	177,792.92
Daniels	1,107	61,161.21
Dawson	2,515	138,952.52
Deer Lodge	3,338	184,422.86
Fallon	1,009	55,746.76
Fergus	3,235	178,732.16
Flathead	7,816	431,830.08
Gallatin	4,892	270,280.51
Garfield	529	29,226.99
Glacier	3,412	188,511.32
Golden Valley	329	18,177.09
Granite	663	36,630.43
Hill	3,794	209,616.63
Jefferson	859	47,459.33
Judith Basin	847	46,796.34
Lake	3,942	217,793.49
Lewis and Clark	5,622	310,612.64
Liberty	585	32,320.95
Lincoln	2,656	146,742.70
Madison	1,332	73,592.34
McCone	886	48,951.07
Meagher	465	25,691.02
Mineral	633	34,972.94
Missoula	8,483	468,681.46
Musselshell	1,102	60,884.96
Park	2,709	149,670.92
Petroleum	213	11,768.15
Phillips	1,981	109,449.27
Pondera	1,998	110,388.51
Powder River	612	33,812.70
Powell	1,491	82,377.01
Prairie	606	33,481.21
Ravalli	3,243	179,174.16
Richland	2,912	160,886.56
Roosevelt	3,735	206,356.91
Rosebud	1,691	93,426.91
Sanders	1,952	107,847.04
Sheridan	1,728	95,471.14
Silver Bow	11,095	612,993.13
Stillwater	1,375	75,968.07
Sweet Grass	906	50,056.06
Teton	1,864	102,985.08
Toole	1,845	101,935.34
Treasure	390	21,547.31
Valley	3,214	177,571.92
Wheatland	803	44,365.36
Wibaux	542	29,945.22
Yellowstone	14,944	825,648.42
TOTALS	150,072	\$8,291,403.18

TABLE NO. XXI

**RECEIPTS OF THE PUBLIC SCHOOL INTEREST AND INCOME ACCOUNT
APPORTIONED TO THE COUNTIES OF THE STATE PER CENSUS
PERSON BETWEEN THE AGES OF 6 AND 21**

At the end of each calendar year the interest and income credited to the public schools, less 5% statutory deduction apportioned to the permanent school fund, is distributed by the Superintendent of Public Instruction. The amount credited during 1953 was distributed to the various counties of the state as follows:

County	Census 6-21	I & I* Payment
Beaverhead	1,477	\$ 41,379.37
Big Horn	3,246	90,939.35
Blaine	2,619	73,373.42
Broadwater	748	20,955.83
Carbon	2,409	67,490.10
Carter	740	20,731.70
Cascade	12,783	358,126.19
Chouteau	1,806	50,596.56
Custer	3,087	86,484.82
Daniels	1,105	30,957.48
Dawson	2,625	73,541.52
Deer Lodge	3,603	100,940.99
Fallon	1,054	29,528.67
Fergus	3,303	92,536.25
Flathead	8,096	226,816.06
Gallatin	5,146	144,169.40
Garfield	555	15,548.78
Glacier	3,734	104,611.06
Golden Valley	366	10,253.79
Granite	716	20,059.32
Hill	4,048	113,408.03
Jefferson	876	24,541.85
Judith Basin	854	23,925.50
Lake	3,879	108,673.36
Lewis and Clark	5,779	161,903.41
Liberty	768	21,516.14
Lincoln	2,910	81,526.03
Madison	1,331	37,289.05
McCone	897	25,130.19
Meagher	496	13,895.85
Mineral	709	19,863.21
Missoula	8,976	251,469.97
Musselshell	1,134	31,769.94
Park	2,868	80,349.36
Petroleum	243	6,807.84
Phillips	1,719	48,159.19
Pondera	2,101	58,861.24
Powder River	634	17,762.03
Powell	1,546	43,312.46
Prairie	592	16,585.36
Ravalli	3,276	91,779.82
Richland	2,929	82,058.33
Roosevelt	4,111	115,173.02
Rosebud	1,710	47,907.05
Sanders	1,937	54,266.63
Sheridan	1,819	50,960.77
Silver Bow	11,620	325,543.80
Stillwater	1,480	41,463.41
Sweet Grass	900	25,214.24
Teton	1,936	54,238.62
Toole	1,903	53,314.10
Treasure	384	10,758.08
Valley	3,392	95,029.65
Wheatland	775	21,712.25
Wibaux	557	15,604.81
Yellowstone	16,002	448,309.09
TOTALS	156,309	\$4,379,124.34

TABLE NO. XXII

**ADDITIONS TO PUBLIC SCHOOL PERMANENT FUND UNDER
CONSTITUTIONAL PROVISION THAT 5% OF PUBLIC SCHOOL
INTEREST AND INCOME FUND SHALL BE ADDED**

Month Transfer Was Made	Amount
March, 1921	\$ 7,442.22
March, 1922	41,253.83
March, 1923	49,314.52
March, 1924	46,967.18
March, 1925	43,063.93
March, 1926	53,275.11
February, 1927	68,259.05
February, 1928	61,695.53
April, 1929	67,045.19
March, 1930	71,348.68
April, 1931	57,192.39
April, 1932	43,934.69
March, 1933	37,206.68
February, 1934	41,632.83
January, 1935	52,285.69
January, 1936	52,909.23
January, 1937	44,116.11
May, 1938	42,368.60
January, 1939	46,522.60
February, 1940	45,495.63
January, 1941	46,568.00
January, 1942	72,958.58
February, 1943	52,453.11
January, 1944	67,632.24
January, 1945	73,023.68
January, 1946	67,584.49
December, 1946	74,495.08
December, 1947	75,898.10
December, 1948	111,300.62
December, 1949	77,387.43
December, 1950	102,985.25
December, 1951	145,602.94
December, 1952	436,389.64
December, 1953	230,480.23
Total	\$2,608,089.08

TABLE NO. XXIII
COST OF ADMINISTRATION

State Land Office—	July 1, 1952 to June 30, 1953	July 1, 1953 to June 30, 1954
Salaries:		
Commissioner	\$ 5,833.32	\$ 7,000.00
Other Salaries	34,213.65	33,159.06
Furniture, Equipment and Repairs.....	477.18	525.00
Official Bonds	481.25	37.50
Industrial Accident Insurance	28.20	65.33
Legal Advertising	249.30	1,568.40
Legal Expense		68.00
Postage	646.80	490.00
Printing	206.45	
Stationery, Record Books and Blanks	856.88	1,349.95
Travel	1,146.74	923.95
General Office Supplies and Expense	501.84	509.01
Other Operating Expense	1,125.99	668.24
Public Employees Retirement System	1,129.96	988.01
Totals	\$ 46,897.56	\$ 47,352.45
 Field Department—		
Salaries:		
Chief Field Agent	\$ 4,875.00	\$ 5,400.00
Other Salaries	28,017.47	29,530.83
Expense	19,399.01	18,769.43
Capital and Repair	530.93	147.22
Public Employees Retirement System	1,112.90	1,083.27
Total	\$ 53,935.31	\$ 54,930.75

